

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
58th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN DEBBY BARRETT**, on March 14, 2003 at 9 A.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Debby Barrett, Chairman (R)
Rep. Dee Brown, Vice Chairman (R)
Rep. Larry Jent, Vice Chairman (D)
Rep. Norman Ballantyne (D)
Rep. Arlene Becker (D)
Rep. Sue Dickenson (D)
Rep. Carol Gibson (D)
Rep. Daniel S. Hurwitz (R)
Rep. Hal Jacobson (D)
Rep. Larry Lehman (R)
Rep. Ralph Lenhart (D)
Rep. Alan Olson (R)
Rep. Bernie Olson (R)
Rep. Don Roberts (R)
Rep. Clarice Schrupf (R)
Rep. Frank Smith (D)
Rep. Pat Wagman (R)
Rep. Jonathan Windy Boy (D)
Rep. Cindy Younkin (R)

Members Excused: None.

Members Absent: None.

Staff Present: Sheri Heffelfinger, Legislative Branch
Joan Reiman, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: SB 160, SB 239, 3/11/2003
Executive Action: SB 110, SB 160, HB 550;
TABLED HB 551, SB 54

HEARING ON SB 160**Sponsor:** SEN. JOHN COBB, SD 25**Opening Statement by Sponsor:**

SEN. COBB said this bill will ensure that Department of Health and Human Services (DPHHS) shows their strategic plans before the Child and Family Interim Committee, which can but does not have to do anything with it. It will describe criteria for performance measures and requirements for data collection and reporting. Most states set performance goals but Montana requires only that broad terms be set. There are 11 large divisions in DPHHS and the legislature needs to recover lost supervisory authority, he said.

EXHIBIT (sth54a01)**{Tape: 1; Side: A; Approx. Time Counter: 0 - 7.5}****Proponents' Testimony:** None**Opponents' Testimony:** None**Informational Testimony:** None**Questions from Committee Members and Responses:**

REPS. BROWN, GIBSON, HURWITZ, JACOBSON, JENT, and WINDY BOY asked **SEN. COBB** how it would work and if this would be part of the Legislative Interim Audit Committee work. He said they only audit financially now; this would ensure performance is also reviewed. It is a totally separate issue (HJR 13), passed by the House for Medicaid program review. DPHHS accounts for 1/3 of the state budget. This allows ongoing review of each division's goals versus the money to be spent. This is control of spending, not setting goals for agencies. This will not change Administrative Rules of Montana (ARM), just make DPHHS spell out and quantify how they would reach the goals set.

CHAIRMAN BARRETT asked if, with term limits, this bill is necessary. The sponsor replied that the interims are less political than doing budget during sessions. They don't have enough time to study the numbers in 90 days, while interims have another year or year and a half.

{Tape: 1; Side: A; Approx. Time Counter: 7.5 - 25}**Closing by Sponsor:**

SEN. COBB said this would bring power back into the legislature.

EXECUTIVE ACTION ON SB 160

Motion: REP. BROWN moved SB 160 BE CONCURRED IN.

Discussion:

REP. HURWITZ wanted to know how the Human Services Committee, which he sits on, would could have any input into DPHHS's actions; members never see the results of budget work after the Session. **REP. BROWN** said this addresses that issue. He wondered how a freshmen could participate. **CHAIRMAN BARRETT** replied that legislators can attend interims, which are open to the public, to get information. **REP. GIBSON** thought when agencies set goals, performance improves, and this would generate more awareness. Legislative Audit Committee. Evaluations will be based on policy the legislature establishes now. This gives criteria for measurement. **REP. JENT** said it uses the existing framework of the Audit Committee, and could divert more money to the needy rather than overhead. **REPS BECKER, BALLANTYNE** also shared in the discussion.

Vote: Motion carried 19-0.

Motion/Vote: REP. ALAN OLSON moved SB 160 to THE CONSENT CALENDAR. Motion carried 18-1 with REP. GIBSON voting no.

(Though the motion carried, the bill will not be placed on the consent calendar according to House Rule H40-110(b) requiring a unanimous vote on such a motion.)

{Tape: 1; Side: A; Approx. Time Counter: 25 - 33}

{Tape: 1; Side: B; Approx. Time Counter: 0 - 2.3}

HEARING ON SB 239

Sponsor: SEN. JEFF MANGAN, SD 23

Opening Statement by Sponsor:

SEN. MANGAN said this bill was in last session, to save the state money. It would give employees retiring early a 90-day window to get one year of paid health benefit for each five years of service. That would pay their premiums until they are Medicare-eligible. He has an amendment.

{Tape: 1; Side: B; Approx. Time Counter: 2.3 - 7.2}

Proponents' Testimony:

Tom Schneider, Executive Director, Montana Public Employees Association (MPEA), worked the amendment into the bill with the sponsor. It gives a maximum of five years' coverage. Normal retirement age is age 60, or at 30 years' of service.

Todd Lovshin, MEA/MFT, supports the bill.

Kathy Bramer, Office of Public Instruction (OPI), liked the proposed amendment, which would include PERS, TRS and all retirement systems as well.

{Tape: 1; Side: B; Approx. Time Counter: 7.2 - 10.4}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

Mr. Schneider, Mr. O'Connor and Ms. Heffelfinger were questioned by **REPS. ROBERTS, BROWN, A. OLSON, B. OLSON, LEHMAN, and WAGMAN** to reveal that this bill has some relation to REP. LEWIS's HB 360 for early terminations. Whereas HB 360 requires employees be retirement-eligible and does not include university employees, SB 239 does not have age requirements and does not mandate vacancy savings, but does include the university system. The fiscal assumptions about how many would take advantage are based on a similar 1993 buyout. The same people could be eligible under both bills, if they are age 60 or have 30 years in. **REP. A. OLSON** said he will work with sponsor on the amendment to fix that. SB 239, which would save more for the state, has to be in with HB 2 with instructions, or it is void.

{Tape: 1; Side: B; Approx. Time Counter: 10.4 - 27.5}

Closing by Sponsor:

This will save \$3.2 million plus probable additional vacancy savings. One of these two bills should pass, he said.

EXECUTIVE ACTION ON SB 239

Motion: REP. A OLSON moved SB 239 BE CONCURRED IN.

Discussion:

REP. A OLSON had conceptual amendments. OPI requested that they add TRS people; language also was added that, if HB 360 passes, this is void. **REPS. BECKER, JENT, LEHMAN** and **SMITH** discussed that SB 239 pertains only to those of retirement age; it applies to more people than HB 360, but has only a 90 day window, and that they need to see it in print. **CHAIRMAN BARRETT** asked to have the motion withdrawn until Ms. Heffelfinger drafted the amendment.

Motion withdrawn.

{Tape: 1; Side: B; Approx. Time Counter: 31.3 - 43}

EXECUTIVE ACTION ON SB 110

Motion: **REP. BALLANTYNE** moved that SB 110 BE CONCURRED IN.

Motion: **REP. BALLANTYNE** moved that SB 110 BE AMENDED (011002.ash).

Discussion:

Ms. Heffelfinger reviewed the amendment; it was an interim committee bill covering state/local elected officials. Lines 19-20 did not cover everything; the amendment adds TRS, and two new sections. Amendment 7 adds that they can decline membership for elected positions. The window will grandfather in people who are in PERS under both positions. Others have 180 days to make the election. **REP. A. OLSON** questioned the fiscal assumption. **Ms. Heffelfinger** wanted to see if any other bills might conflict or affect the cost. She called on **Mike O'Connor, Executive Director, PERS**, who said the clause in question is put on every fiscal note. At this time, he does not see any conflicts with legislation, but there may be some out there.

Vote: The motion carried 19-0.

Motion/Vote: **REP. OLSON** moved that SB 110 BE CONCURRED IN AS AMENDED. Motion carried 19-0.

Motion/Vote: **REP. SMITH** moved SB 110 BE PUT ON THE CONSENT CALENDAR. Motion carried 18-1 with **REP. BARRETT** voting no. (Though the motion carried, the bill will not be placed on the consent calendar according to House Rule H40-110(b) requiring a unanimous vote on such a motion.)

{Tape: 1; Side: B; Approx. Time Counter: 43 - 54}

EXECUTIVE ACTION ON HB 550

Motion: REP. A. OLSON moved HB 550.

Discussion:

He said with information that Ms. Heffelfinger compiled, they see the money is there for firefighter retirement.

EXHIBIT (sth54a02)

Vote: Motion carried 19-0 by roll call vote.

EXECUTIVE ACTION ON HB 551

Motion: REP. A. OLSON moved that HB 551 DO PASS.

Discussion:

There was question about contract services being covered. REP. ROBERTS said his concern comes from cost to the general fund. REP. BALLANTYNE also had concerns.

Substitute Motion/Vote: REP. A. OLSON made a substitute motion that HB 551 BE TABLED. Substitute motion carried 18-1 with REP. JACOBSON voting no.

{Tape: 1; Side: B; Approx. Time Counter: 56 - 60}

EXECUTIVE ACTION ON SB 54

Motion: REP. B. OLSON moved SB 54.

Discussion:

He is against this bill; it is not necessary. REP. BECKER objected to the family member part.

Substitute Motion/Vote: REP. WINDY BOY made a substitute motion that SB 54 BE TABLED. Substitute motion carried 17-2 with REPS. JACOBSON and JENT voting no.

{Tape: 1; Side: B; Approx. Time Counter: 60 - 66}

{Tape: 2; Side: A; Approx. Time Counter: 0 - 2.4}

ADJOURNMENT

Adjournment: 10:45 A.M.

REP. DEBBY BARRETT, Chairman

JOAN REIMAN, Secretary

DB/JR

EXHIBIT (sth54aad)